



# Budget Impacts on North County

Community Forum  
February 26, 2004

Summary Report Released  
March 2004

March 25, 2003

Dear North County Leader and Community Partner:

As you may know, a community forum to discuss the budget impacts on North County's health and human services was organized by the County of San Diego's Health and Human Services Agency (HHSa) and Palomar Pomerado Health on February 26, 2004, in San Marcos. This was the second forum (the first was held June 9, 2003, co-hosted by North County Collaboratives) to discuss the cuts to health and human services in North County as a result of the State budget crisis.

Over 70 participants (see attached list of attendees) gathered to hear the reductions in County services as presented by HHSa Finance Director Terry Hogan. HHSa Executive Team members or their designees facilitated breakout discussions to address cuts to six specific program areas:

- **Adult and Children's Mental Health Services**
- **Aging & Independence Services**
- **Alcohol and Drug Services**
- **Child Care Services and TANF/CalWORKs**
- **Child Welfare Services**
- **Public Health Insurance and Services**

As part of these discussions, community leaders shared their insights on additional funding cuts that organizations and programs may expect due to cuts in Federal, State, and other private funding, and the impact to services these reductions will have on our North County residents.

Attached, please find a summary of the meeting. This document is meant to serve as a snapshot in time of the budget impacts to our health and human services delivery system in North County and a call to step up our collaborative efforts to address new and expanding service gaps in the region. It is in no way complete, and will most certainly change as we learn more of the impacts the state cuts will have on County and community-based programs.

Thank you for your concern, your input and for being a part of the solution during these difficult times ahead. For additional copies of this report, you can download them from the HHSa Web site at [www.sdcounty.ca.gov/hhsa](http://www.sdcounty.ca.gov/hhsa) (go to Documents for "North County Budget Impact Report, March 2004").

Sincerely,



Nick Macchione, Deputy Director  
County of San Diego  
Health & Human Services Agency  
North Coastal and North Inland Regions



Michael Covert, CEO  
Palomar Pomerado Health

# Budget Impacts on North County

## *Forum Summary*

### **State Budget Impacts to Health and Human Services**

Terry Hogan, HHS Finance Director

There are a number of proposals in the health and human services area to restructure and reform programs. However, the details of these proposals, and the impacts on San Diego County residents will not be known until May. There are, however, several proposals that will impact our provider partners, children and families, and the elderly and disabled.

<b>Impacts to Providers: Medi-Cal Rate Reduction</b>	The budget proposes a 10% reduction in the rate paid to Medi-Cal providers, which is in addition to a 5% rate reduction proposed for the current year. This will most likely result in fewer physicians and other providers willing to accept Medi-Cal patients, compromising access to health care and increased use of emergency room services for their health care needs.
<b>Caps on Health Services</b>	The budget also proposes capping enrollment on various health services programs, such as Healthy Families and California Children's Services. This means that children who would have been eligible for these programs will now be on waiting lists for these services.
<b>In-Home Supportive Services</b>	The budget includes a number of proposals to change the In-Home Supportive Services Program, which provides care to aged, blind and disabled individuals. While details are still unknown, the changes could have the impact of eliminating services to some clients, and reducing the wages and benefits for caregivers taking care of these clients. Additionally, the State is withdrawing funding for certain administrative and supportive functions, forcing counties to either pick up these costs or eliminate the services.
<b>Child Care</b>	The Governor is also proposing funding reductions in childcare programs. While we don't know the number of families that will be impacted, we do know that fewer children will be eligible for childcare programs, and the share of cost paid by recipients will increase.

# HHSA Budget Input Process

Nick Macchione, HHSA Deputy Director

<b>Overview</b>	<p>The Health and Human Services Agency's Fiscal Year 2003-04 Operational Plan is \$1.4 billion, with 90% or \$1.27 billion from State and Federal revenue. We have limited control over program spending. The vast majority of revenue received is categorical in nature, which means that it can only be used for very specific programs or activities.</p> <p>Other departments in the County are facing similar reductions in programs.</p> <p>Other counties throughout the State are facing massive reductions and closure of programs.</p> <p>As a County we are required to administer the State's programs, and when the State is unable to adequately fund those programs, San Diego County residents will be impacted.</p>
<b>Why Reductions are Needed- What We Know</b>	<p>State deficit is \$15 billion and growing The cost of doing business continues to increase:</p> <ul style="list-style-type: none"><li>▪ Salaries and benefits</li><li>▪ Worker's compensation</li><li>▪ Health Insurance, Energy costs</li><li>▪ Services and supplies</li></ul> <p>The State has failed to pay for unfunded mandates owed to the County of San Diego (e.g. \$22 million for mental health severely emotionally disturbed)</p>
<b>Assumptions</b>	<p>Health and Human Services programs will see direct categorical funding reductions from the State.</p> <p>HHSA will need to take some amount of general revenue reductions. The amount of reductions is unknown and will not be known for some time.</p> <p>It is prudent to begin reviewing and prioritizing programs so we are prepared to deal with reductions when they occur.</p>
<b>HHSA Operational Plan Guidelines</b>	<p>Maintain core priority programs and activities. Align resources to support the County and Agency Strategic Plans, with a focus on Kids, the Environment and Safe and Livable Communities.</p> <p>Use evaluation or outcome data in determining whether to sustain programs, including the cost/benefit of the program.</p>

We will be required to deliver mandated services.

Make reductions in both contracted services and County staff, with County reductions including all levels of staff.

Preserve funding that “matches” or leverages other dollars if appropriate. Use one time resources for one time costs, not on-going expenses.

## Facilitated Group Discussions

Participants were asked to pre-register for their group of preference. To provide some consistency across breakout groups, facilitators were asked to follow a three-part process. **Step 1-** provide the group with a brief overview of their program budget planning to date and anticipated service cuts; **Step 2-** Highlight the top priorities that their respective County Advisory Board has ranked with a brief explanation; **Step 3-** Frame the group discussion around the following questions:

- Knowing what we know about these County Budget impacts, what other specific cuts are being felt in North County (e.g. local, state, federal, private, etc.) that will cause service disruptions?
- What strategies do you recommend for HHSA and you, our community partners, as we face these shortfalls?

## Adult & Children’s Mental Health

Facilitator: Alfredo Aguirre, Director, HHSA Mental Health Services

Scribe: Kurt Robbins, Manager, North Coastal Mental Health

### Program Budget Overview

#### Adult Mental Health

Potential loss in Medi-Cal funding (Re-basing of the Statewide Maximum Allowance)

- IMPACT: Loss of services for adults. Exact impact will depend on how state implements and the configuration of program reductions.

Potential small increase in Managed Care Allocation - \$600,000.00

- IMPACT: Adjustment for increasing costs

#### Children’s Mental Health

Elimination of the Children’s System of Care Program - \$651,300 reduction

- IMPACT: Elimination of services to approximately 60 children and youth who are at risk of residential placement; Risk of more children being placed in residential treatment
- IMPACT: Elimination of family support program eliminating services to 60 children and youth

**Mental Health Advisory  
Board Recommendations**

Potential loss in EPSDT / Medi-Cal funding

- 1) Re-basing of the Statewide Maximum Allowance (SMA)
  - 2) Increased oversight / audits
  - 3) Narrow the Medical Necessity Criteria
- IMPACT: Loss of services for children and youth. Exact impact will depend on how state implements

Potential small increase in Managed Care Allocation - \$400,000

- IMPACT: Adjustment for increasing costs

Silent on Special Education / 3632 issue

- IMPACT: Lawsuits filed will have an impact

**Adult Mental Health Priorities**

Services rated: "HIGH", in order of ranking, highest to lowest:

- Outpatient/ Rehabilitation
- Crisis Residential
- Inpatient
- Conservatorship/ Case Management (tied with EPU below)
- Emergency Psychiatric Unit (EPU)
- Long Term Care
- State Hospital

Services rated "MEDIUM", in order of ranking, highest to lowest.

- Administration
- Forensics (tied with Outreach & Advocacy below)
- Outreach & Advocacy
- Other Residential

**Children's Mental Health**

Services rated as "HIGH", in order of ranking, highest to lowest:

- Outpatient
- Critical Care/ Emergency Screening Unit
- Therapeutic Behavioral Services
- Inpatient

Services rated as "MEDIUM", in order of ranking, highest to lowest:

- Case Management
- Advocacy and Outreach
- Day Treatment
- Administration
- Evaluation and Outcomes
- Juvenile Forensics
- Residential Services

## Other Budget Impacts

- CAT (Probation) Teams are taking cuts.
- Loss of prevention related activities across departments will create large service gaps.
- Significant cuts in Alcohol and Drug Recovery Programs
- Regional Recovery centers to be cut.
- SARMS, Prop 36, et al. programs to be cut.
- Loss of school nurses and counselors.
- Medi-Cal reimbursement cuts and dependency of non-profit programs on this revenue.
- Potential for “abandonment of care” to occur due to lack of resources and caps.
- Children’s Group Homes who utilize mental health providers may be impacted by lack of services resulting in an increased risk to their clients.
- Loss of North County Network reducing ability to maximize resources.
- Foster care rate reductions.
- Fee for service rate reductions to private providers.
- Foundations not willing to “backfill” funding cuts to continue programming.

## Community Strategies

- Add Foundation and business community to discussion.
- Design programs for the community and not based on funding requirements.
- County and Community leaders evaluate doing business/ programs differently.
- Acquiring waivers to support programs (e.g. SB163 and 3015).
- Utilizing pharmaceutical grants to support new programs (evidence based practices).
- Evaluate diversification of funding and research ways to reduce dependence on state and federal monies.
- Acquire and evaluate data on clients affected by cuts.
- Evaluating the highest quality and cost-effective provision of services by:
  - Regional providers
  - Individual communities
  - Specialization of services
  - Level of care
- Performance based contracting
- Utilize contractors to “backfill” budget gaps and cuts
- Adjust administrative oversights to reduce programming costs

### Two Main Objectives for North County:

- Preserve the array of services in North County by reducing the size instead of eliminating entire programs.
- Receive an equitable share of resources in the North County

# Aging & Independence Services (AIS)

Facilitator: Ed LaBrado, Asst. Deputy Director, HHSA Aging & Independence Services

Scribe: Marty Dare, Outreach Specialist, HHSA Aging & Independence Services, North County

## Program Budget Overview

### In Home Support Services (IHSS)

- The proposed budget would eliminate the 'residual' element of In Home Support Services (IHSS), which would cut services for 'housekeeping' while leaving 'personal' care services in place. There are approximately 5,500 people per month who receive residual services in the county. The exact impact is unknown because some of these people may now qualify for personal services. AIS is considering a letter to explain these changes. The state was paying 65% and the County 35% of this program.
- The proposed budget further recommends eliminating the 'Public Authority' and reduce provider pay from \$8.50 per hour to minimum wage (\$6.75). This would likely reduce the pool of qualified workers willing to provide these services. Currently there are approximately 18,000 providers.
- In general, these reductions may increase the number of citizens eventually requiring nursing home care. Since recipients are qualified by Medi-Cal standards, facility care would cost the Medi-Cal system even more.
- Demand for this program will continue due to well-documented demographic trends of greater numbers of older adults as well as people living longer and therefore staying in the program longer.
- Geography and cultural considerations often preclude family from adequately addressing home care needs. Churches have a tremendous potential for helping in this area.
- Overall, cuts will have a negative 'downstream' effect on the economy as a whole.

### Adult Protective Services (APS)

- The APS budget is stabilized at last years funding level so it is not considered 'at-risk' in the same way as IHSS. It is, however, affected by general fund decreases and the increased costs of doing business. The 'in-house' AIS Advisory Committee has prioritized APS as a safety issue.
- There are APS units (and IHSS units) located in Oceanside and Escondido.

### Intergenerational

AIS has recently accelerated efforts in applying for non-government grants to fund intergeneration programs. San Pasqual Academy foster grandparent program is a prime example of a project that taps into the senior community as a valued resource while supporting their housing needs.



	<ul style="list-style-type: none"> <li>Intergenerational programs are based on the concept that seniors are a tremendous untapped resource to mentor the youth. These programs also give seniors a meaningful “ purpose and function in life.”</li> </ul>
	<p><b>AIDS Waiver</b></p> <ul style="list-style-type: none"> <li>Also considered ‘at-risk,’ the AIDS Waiver program is currently exploring other options to transition clients to other private or public agencies.</li> </ul>
<b>Aging &amp; Independence Advisory Council Recommendations</b>	<i>(Incorporated in discussion)</i>
<b>Other Budget Impacts</b>	<ul style="list-style-type: none"> <li>This work group suggested involving the various retirement facilities to determine if they can use their vans to transport seniors, especially to doctor appointments. We may have to pay them but these facilities already have the vehicles and drivers.</li> <li>More individuals would volunteer to assist seniors if the issue of liability was resolved. Volunteers are hesitating to use their own vehicles to transport seniors because this would affect their personal insurance if an accident occurred.</li> </ul>
<b>Community Strategies</b>	<ul style="list-style-type: none"> <li>Develop database for AIS to make appropriate referrals to community agencies as County clients lose public support. Let agencies know specific needs.</li> <li>Develop legislation to allow volunteer programs to provide services without prohibitive liability insurance costs (dubbed the ‘Volunteer Liability Act’ by group). Perhaps some form of ‘pooled’ liability under wider umbrella.</li> <li>Agencies currently implementing peer support, friendly visitor, transportation projects. They want to know the extent of needs, who needs most help, how big an impact is coming. Do these projects need to ‘shift gears?’</li> <li>Are agencies “doing the icing, while they need the cake?”</li> <li>Can retirement facilities that have vans/drivers make them available in disasters/crises?</li> </ul> <p><b>Recommendation:</b> The group recommended that if the elimination of IHSS residual program takes affect, a north county forum should be developed consisting of representatives from faith based organizations, non-profits, and cities to develop a plan using private sector to assist IHSS recipients that cannot transition to the Personal Care Services Program.</p>

**General:** Participants from community groups expressed particular interest in learning specific activities their organization could accomplish to cushion the expected fallout from budget cuts. A majority of discussion focused on homebound seniors who could lose necessary In Home Supportive Services support to remain at home.

## Alcohol & Other Drug Services

Facilitator: Susan Bower, Asst. Program Administrator, HHSA Alcohol & Drug Services

Scribe: Susanne Boston, Community Health Promotion Specialist, HHSA North Coastal Region

### Program Budget Overview

#### High Priority:

1. Residential for Men, Women, and Adolescents (short-term and long-term)
  - Pregnant/Parenting Women
  - Adults and Adolescents
  - Special Populations
2. Non-Residential (including day treatment and outpatient)
  - Pregnant/Parenting Women
  - Adults and Adolescents
  - Hearing Impaired
  - Dual Diagnosis for the seriously mentally ill
  - Special Populations
  - General Relief (GRADS)
  - Criminal Justice (funded through discretionary funds)
3. Service Modality recommendations:
  - Day Treatment- pregnant/parenting women, and adolescents
  - Outpatient- adults in general

#### Medium Priority:

1. Case Management for Adults and Adolescents
 

<u>Adults</u>	<u>Adolescents</u>
Perinatal	Perinatal
SARMS	Juvenile Drug Court
SIP	JAM

2. Inebriate Reception Center

#### Low Priority:

1. Recovery for Women and Children, and Adolescents
2. Prevention funding *above the mandated 20% set-aside amount*
  - Note: If additional funding becomes available, the priority for this item will be re-evaluated.

### Alcohol & Drug Advisory Board Recommendations

(incorporated above)

## Other Budget Impacts

- Health & Human Services Agency (HHSA) ADS is anticipating \$4.5 million in contract reductions for FY 2004-05. HHSA ADS is comprised of 100% contracted services.
- North County HHSA has lost 2 ADS staff positions. Effects community relations with North County ADS providers and overall communication.
- Less funding results in less direct service. Less people will be served. Programs that are contracted and subcontracted will be impacted.
- Results in fierce competition for other funding outside HHSA.
- Loss of funding affects mission statements and philanthropy.
- Possibly less private funding available for direct services due to less public financial support. Often private funders want to see public financial commitment before they fund. Less funding from public grants may impact the chances of receiving private funds.
- Geographic availability--North County saturated with treatment services compared to other regions in the county.

## Community Strategies

### Time of opportunity:

- Cross fertilize prevention & treatment
- Collaborate and leverage resources (county & private).
- Standardize set of criteria for all agencies
- Raise the bar
- Reduce duplication (this may result in closing services due to duplicative efforts)
- Set aside turf issues

### Need:

- Maximize communication & coordinated activities
- Continue building trusting relationships
- Multi-agency collaboration with multi-approaches.
- A local champion

Need Coalitions to coordinate with each other to bring existing agencies together to apply for funding (example: Three North County treatment providers applying for one grant). This multi-agency approach will strengthen application.

### Moving Forward:

- Ultimate Goal: Providers across regions collaborating and applying for funding together.
- North County Pilot: Create one North County Coalition to coordinate multi-agency collaboration to apply for funding as one entity.

- First Step: Coordinate North Coastal Prevention Coalition (NCPC) with North Inland (NICPP-Dana Stevens, Mental Health Systems, Inc, etc.). The role of this coalition would be to coordinate existing multi-agency efforts to apply for one RFP, as well as ongoing networking and sharing resources.
- North County ATOD committee may be a good forum to bring Coastal and Inland coalitions together for strategic planning.
- Need external facilitator to bring agencies together to apply. The key is to have a neutral party.
- Create list of agencies interested in collaborating
- North County to share best practices with other regions
- Create one coalition per region. Regional coalition representatives meet throughout the year.
- Build protocols. Need formal policy across the regions.
- Contractors must participate in coalitions. Perhaps a stipulation of the contract.

## Child Care Services and TANF/CalWORKs

Facilitators: Heather Shorack, Asst. Deputy Director, HHSA Policy & Program Support

Diana Francis, Asst. Deputy Director, HHSA Policy & Program Support

Scribes: Dorri Angier, Asst. District Manager, North Inland Family Resource Center

Jaye Yoshonis, Manager, North Coastal Employment Services

### Program Budget Overview

#### Primary budget cuts will affect the clients:

- Individual cash aid grants will be reduced by 5%
- An additional reduction of 25% on top of the 5% will be imposed on those cases with adults who have reached their 5-year time limit and are not working. This will affect approximately 150 cases monthly, as most who have reached the time limit are working.
- Families in which the parent(s) are sanctioned due to non-compliance with the Welfare-to-Work program will also receive a 25% reduction on top of the 5% across-the-board cut. This will affect approximately 2000 families. Sanctioned families are currently impacting our Federal requirements for participation rates. As the caseloads have dropped, the number of sanctioned individuals has remained level, however this has caused the percentage of families not participating to increase.
- In May 2004, the monthly reporting requirement for CalWORKs families will be replaced by a quarterly reporting requirement. Based on the theory that this would equate to less work for the caseworkers, the State will be decreasing the CalWORKs allocation for administration by 28%. Although, it is acknowledged that there will be some lessening of the caseload, based on the requirements for clients to report changes as they happen, it is not felt that the justification for a 28% reduction is

correct. The County Welfare Director's Association is advocating for a lower reduction rate. This cut will likely impact service to clients with increased application process time and increased response time for changes to cases and inquiries.

- In the past, the TANF Block Grant has had a reserve fund for programs that, though not mandated, were related to increasing the self-sufficiency of families. This reserve fund has been pulled back.
- CalWORKs Incentive Funds are incentive money (federal funds) that was earned by Counties for moving families off aid due to employment. The money is paid to the State and dispersed to the Counties. Two years ago, the State stopped allocating the funds down to the Counties. However, the Counties do continue to roll-up their counts in case the State may be in a situation to pay these. This is unlikely however. In addition, in recent years Gov. Davis borrowed \$200,000,000 from the State's CalWORKs Incentive Funds balance, but the likelihood that this will be paid back is unlikely.

#### **Child Care**

- The impacts of the budget for Child Care also will impact the clients and providers. Most changes are programmatic and are seen as difficult to administer.
- A \$165,000,000 reduction in child care is actually not a real reduction. They have eliminated child care assistance for 13 year olds, and will only serve 11 – 12 year olds if there are no after-school programs in their community or if all slots are filled at those that exist. Currently, child care assistance is being provided for 1500 11 – 12 year olds in San Diego County. It is still unclear what is included in after-school programs and whether this will include fee-based programs. While this may have a repercussion on those age groups, this could open up assistance for others. San Diego currently has 6000 children on a waiting list for general child care assistance.
- Eligibility guidelines will also be limited. A family of four currently loses eligibility at \$33,000 annual income. The income guidelines are based on the state median income and do not reflect the actual cost of living in each county. The new plan creates three-tiered regions based on the cost of living. Counties such as Marin and San Francisco are in the top tier, with San Diego being in the second tier.
- Time limits for child care assistance will also be shortened. Currently, CalWORKs families receive childcare under Stage 1 until stable. They then receive child care assistance while receiving CalWORKs and 2 years after terminating CalWORKs in Stage 2. They continue on Stage 3 as long as they remain income-eligible. The proposed changes impose a one-year time limit of eligibility for CalWORKs Stage 3.

## **Other Budget Impacts**

- This could cause some families who have been off aid to return to aid as they will no longer be able to afford child care.
  - Providers will also be hit by the proposed changes. A child care provider with no training can now receive 90% of the 85% percentile of the Regional Market Rate for Child Care. Under the Governor's proposal, they will be limited to 40%.
  - Under California Dept of Education, child care providers can now receive subsidies for taking additional courses and training. Under the Governor's proposal, child care will be limited to two years to families attending education and training activities.
  - There will also be an increase to family fees, the share of child care cost paid by the parent.
- 
- ACS is experiencing a cost increase for their building lease. They have been offered a one-year lease at their current site but would like to see an integrated site.
  - City of Escondido has a Child Care Subsidy program for its' residents that will be sustained. There has been no indication by the City that any of their human services programs will be cut.
  - The City of Escondido also expects a \$650,000 hit from the ERAF funding proposal.
  - The City of Escondido does not anticipate any layoffs, but has offered early retirements and is not back-filling some jobs.
  - The City of Escondido also has an employee child-care subsidy program that they are looking to expand to other community providers such as Palomar-Pomerado Health and the North County Times. By providing a subsidy, employers can attract employees.

## **Advisory Board Recommendations**

### **CalWORKs (Social Services Advisory Board)**

- Rated the top priorities as CalWORKs Cash Aid, Employment Services, Child Care, Food Stamps, MediCal and General Relief (including all support programs).
- Medium priorities were Refugee Cash Assistance and Refugee Employment Services (it was suggested that these be merged with Cash Aid and Employment Services), Homeless Outreach, and the Report Card on Family Health and Well-being.
- The lowest priorities which they felt could be eliminated were CalLearn (a program for pregnant or parenting teens) and other Refugee support programs.

### **Child Care Development and Planning Council**

- They voted to support Stage 1, 2 and 3 Subsidy programs.
- The Council encourages the County to examine administrative efficiencies and possible alternates in its Stage 1 child care contract to reduce Stage 1 administration costs. The Council also encourages the discussion of possible changes to improve the processes among the stages that would result in savings.

## Community Strategies

- Community Colleges have also taken cuts last year in their TANF funding.
- CalWORKs Employment funding is stable.
- HeadStart funding seems to be in good shape.
- Child Development Center funding is remaining flat, with no increases or decreases.
- 21<sup>st</sup> Century funding for child care may alleviate some of the implications for the lack of State funding for 11-12 year-olds.
- Marketing or publicity of shortfalls
  - Hire a journalist to get stories (i.e. going to emergency rooms to talk with uninsured patients)
  - CTN ride-alongs with HHSA staff to show positive side of what HHSA does and show what it would mean if services were cut.
- Leverage money through shared space (FRC, ACS, Career Center). Create pods of workers, working with the same customers.
- Encourage collaboration between Community Action Partnership, Social Services Advisory Board and Workforce Partnership to eliminate duplication and maximize resources.

## Child Welfare Services

Facilitator: Patric Ashby, Director, HHSA Child Welfare Services

Scribe: Nina Constantino, Community Health Promotion Specialist, North Coastal Region

### Program Budget Overview

- Last year, CWS took a sizeable hit in their budget (losing 60 positions) and expect another significant hit this year (\$13 million)
- CWS is currently assessing the budget situation, looking at the highest priorities, and will go from there, with the aim of keeping children in their area (noted that \$20 million went toward the redesign)

### Advisory Board Impacts

- One of the top priorities is to maintain safety and core services (where kids are in serious trouble). They will be assessing where the next focus (priority) should be.
- It was noted that support structural supports removal affects staffing, even if staffing is not obviously reduced.
- One group member pointed out the affect of (monetary) support on service delivery and indicated the difficulty in choosing one service over the other, and the need for a system to address this.
- The possibility of getting waivers to obtain Federal money was mentioned. Also, there is a possibility of block grants, but the downside is that local money may have to cover if the grant runs out. Patric mentioned that they are trying to uncover other resources (gave example of non-County match money that is available)

## Other Budget Impacts

- One noted that there is the issue of accepting block grants and categorical funding. A question was posed as to what we can do as providers to facilitate the conversation of Sacramento with the Federal government regarding various monies in order to maximize revenue. An example was given of MAA and supplemental money being used for targeted case management. Someone commented that the Federal government is challenging where the money can go.
- Lifeline indicated that they see cuts in various programs: Critical Hours, Juvenile Diversion, CATS, EPDT.
- Home Start noted that private funding is down, which often fills the gaps from government funding
- Center for Community Solutions said that they see domestic violence services being restricted or dissolved
- The question was posed asking if we are seeing more difficult problems due to a decrease in funding. Casa said yes. Home Start noted that you aren't allowed to subcontract for specialty services.

## Community Strategies

### **“Are there areas that CWS should be more engaged?”**

- Home Start mentioned the disconnect between Children's Mental Health and kids being emancipated, and a lack of efficiency with funding (how funding is being used)
- New Alternatives cited that a better job needs to be done in working with drug and alcohol programs (drug and alcohol money should be used more efficiently with CWS funding)
- Association of Foster Family Agencies noted that residential service programs have redundant and inefficient use of resources
- HHSA (Diane Ferreira) pointed out the frustration of one area getting funding from multiple entities, whole other (needed) areas are lacking
- Performance-based contracts are where all levels of government are heading. Home Start indicated the need for a new template in how they are utilized.

### **Other considerations:**

- Logic is needed in implementing policy restrictions and requirements that would further reduce services, especially with budget cuts (mandates take away from direct services). Many agreed and said that there should be a formal avenue for groups to voice their concerns together and discuss ways to they see in making the things more efficient (currently an agency may discuss their issues with policy makers on their own, but other groups may have similar concerns and are not providing input)



- It was noted that McKinney-Vento (sp?) Act (which requires kids to stay in their own school) impacts budgets (school districts require programs to provide/pay for transportation)
- With the current budgetary environment, there is a potential for children with serious harm

## Public Health Insurance Programs & Public Health Services

Facilitators: Steve Hon, Senior Program Manager, HHSA Medical Care Program Administration  
Dr. Nancy Bowen, Public Health Officer

Scribe: Kim Forrester, Manager, North Inland Family Resource Center

### Program Budget Overview

#### Public Health Insurance Programs

- The only concrete cut is the 10% provider reimbursement rate reduction. This does not yet have a target for implementation due to the pending court action regarding the 5% provider rate reduction that was due to have been implemented 1/1/04.

Other considerations in the budget include:

- Medi-Cal Reform effort: This process may take 2 years to complete and is broken into 3 areas of focus.
  - Expenditures
    - Managed care for families: Families are bulk of recipients, but not bulk of expenditures.
    - Managed care for aged, blind, disabled-no waiver required.
  - Benefits: Review of “optional” programs adopted by the State, but not required by feds.
    - Tiers of benefits
  - Eligibility: Simplifying the process
- Cap Healthy Families: Waiting list would be established statewide and maintained by the SPE (single point of entry.)
- Cap California Children’s Services: Allow medical treatment not medical therapy.

### Advisory Board Recommendations

#### Public Health Services:

- Based on information received from the advisory board it was determined that the major cuts would be in the areas of:
  - Prevention Services
    - CYF:Child, Youth and Families
    - Chronic diseases
  - Administration
- A handout was provided that summarizes the “priority” of the various services. The priority was to maintain direct services, communicable disease activities and HIV prevention.
- Lower priority items that have matching funds were not listed

## Other Budget Impacts

- CDBG dollars will be used to fund the cities' own programs
- Loss of school nurses and psychologists: Escondido High School District has only one school nurse, 4 hours per week
- Impacts of "No Child Left Behind"
  - Transportation impacts to school district if child wants to go to another school. School is required to provide transportation to another school.
  - Budget impacts to the individual school due to loss of daily attendance revenue for the student.
- Concern that "caps" may cost more to administer than money saved by "delaying" eligibility
- Schools' loss of revenue if "soda" machines are removed as result of trying to create a healthier environment by eliminating poor food choice options.
- Reduced funds for community efforts surrounding obesity
- Difficulty in prioritizing healthcare concerns/issues
- Decrease in funds donated to local charities when there are major disaster such as the Cedar/Paradise fires, 9-11, etc
- Concern that there could be potential elimination of neighborhood care efforts such as immunization and TB. (At this time, there is no change anticipated.)

## Community Strategies

- Communication to the community regarding the budget. Has to be simple, effective and engaging.
- Begin community education process prior to the actual implementation of the cuts
- Message needs to be clear, simple, understandable by using real numbers and putting a "face on it."
- Involvement of the faith community
- Use a marketing approach: eliminating these services in order to preserve others
- Involve media to promote contributions for direct services
- Enlist business involvement (ex. Gift of Health) by going through the Chambers of Commerce
- Enlist help of service organizations (Soroptimists, Rotary, Kiwanis, Lions, etc)
- Budget cuts will allow opportunity for increased efficiency by working with community partners to provide direct service.
- Creative solutions can be used to change the model of how we deliver services (ex. Psych hospital)
- Education regarding resources available.

# Budget Impacts on North County

## Forum Attendees

February 26, 2004

Organization	Name
ACS	Dao Doan
Alcohol/Drug & Health Services Advisory Boards	Vince Jimno
Assemblyman Mark Wyland	Jace Lyn Kap
Assoc. of Foster Family Agencies	Bruce Wexler
Aurora Behavioral Health	Alan Azcona
Aurora Behavioral Health	Jim Plummer
Casa de Amparo	Sharon Delphenich
Center for Community Solutions	Verna Griffin Tabor
Children, Youth and Family Network	Karen Wells
City of Escondido	Jerry Van Leeuwen
City of Escondido- CDBG	Jamie Kasvikis
Commission Children Youth and Families	Roseann Myers
Community Research Foundation	Rick Landavazo
Consultant	Jim Mickelson
Fallbrook Healthcare Center	Jack Johns
Fallbrook Healthcare District	Rene Rasmussen
Friends & Family Community Connection	Phil Harris
Green Oak Ranch	Carl Fielstra
Health and Human Services Agency	Dr Nancy Bowen
Health and Human Services Agency	Nick Macchione
Health and Human Services Agency	Terry Hogan
HHSA Aging & Independence Services	Ed LaBrado
HHSA AIS	Linda Karlsfors
HHSA AIS	Marty Dare
HHSA Alcohol & Drug Services	Susan Bower
HHSA Child Welfare Services	Dalton Lee
HHSA Child Welfare Services	Diane Ferreira
HHSA Child Welfare Services	Patric Ashby
HHSA Children's Mental Health	Jane Gorman
HHSA Medical Care Program Administration	Steve Hon
HHSA Mental Health Services	Alfredo Aguirre
HHSA North Coastal	Nina Constantino
HHSA North Coastal	Susanne Boston
HHSA North Coastal FRC	Jaye Yoshonis

HHSA North Coastal Mental Health	Kurt Robbins
HHSA North Coastal Public Health	Audrey Lopez
HHSA North Coastal Region	Dawn Wynne
HHSA North Inland Children's Services	Rick Clark
HHSA North Inland FRC	Dorri Angier
HHSA North Inland FRC	Kim Forrester
HHSA North Inland Region	Diane Hall
HHSA North Inland Region	Vicky Magsaysay-Byrne
HHSA North Regions	Carey Riccitelli
HHSA North Regions	Carol Mange
HHSA North Regions	Janis Henderson
HHSA North Regions	Jill Griswold
HHSA North Regions	Lisa Luers
HHSA Policy & Program Support	Diana Francis
HHSA Policy & Program Support	Heather Shorack
Home Start	John Destefano
Interfaith Community Services	Tricia Restrepo
League of Women Voters	Peg Dyer
League of Women Voters	Ruth Moskowitz
MAAC Project Head Start	Mary Jo Gutierrez
McAlister Institute	Mike Franz
Mental Health Systems, Inc.	Bill Eastwood
MHS- Best Wraparound	Renie Bailyn
NAMI	Bob Brooks
NAMI & Mental Heath Board	Katherine Smith-Brooks
New Alternatives, Inc	Michael Bruich
North Coast Prevention Coalition	Charissa McAfee
North County Health Services	Irma Cota
North County Lifeline	Shirley Cole
Palomar Pomerado Health	Lupe Fierro
Palomar Pomerado Health	Vivian Eisenecher
Partners for Community Access	Gloriaann Barron-Garcia
Rancho Bernardo Healthcare Advisory Council	Myrna Reese
Rancho Bernardo Healthcare Advisory Council	Jane Radatz
San Diego Association of Nonprofits	Leslie Hine-Rabichow
SDCOE-Migrant Education	Adriana Andres-Paulson
Soroptomist International of Oceanside	Michelle Davis
The Fellowship Center	Paul Savo
UPAC	Linda Tark